GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4888
ANSWERED ON:16.12.2016
Projects for PPP
Swami Maharaj Dr. Sakshi

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has made any assessment of the projects proposed for public-private partnership (PPP) model during the current financial year;

(b) if so, the details thereof along with the names of sectors in which work is proposed to be carried out by the Government under PPP model;

(c) the details of the expenditure proposed to be made in such category of projects;

(d) whether the Government has prepared draft agreement for such projects; and

(e) if so, the details thereof ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a) to (c) The use of PPPs as an instrument of procurement for creation of infrastructure assets and delivery of public services has been recognized globally. Recognizing the definitive role of private sector to meet the infrastructure gap and the role of PPPs, Government of India has taken concerted efforts to develop its PPP Program and mainstream PPPs activities. Government has issued Harmonized list of Infrastructure sub-sectors which includes transport, energy, water and sanitation, communication, social and commercial infrastructure in which PPPable projects are executed. Government also has put in place a Scheme for Financial Support to Public Private Partnerships in Infrastructure (Viability Gap Funding Scheme) whereby Government of India provides financial support in the form of grants, one time or deferred, to infrastructure projects undertaken through PPPs with a view to make them commercially viable. As regards expenditure, expenditure to be incurred through PPP viability gap support, annuity payments, project development cost, etc cannot be budgeted in advance as the assessment of whether a project can be delivered through a PPP structure can be taken only after individual project structuring. Thereafter, the project outcome would be dependent upon the receipt of sufficient bids, bid award and sequential delivery of the project.

(d) and (e) Government has prepared draft model concession agreements for various sectors including the standard bidding documents/Model Concession Agreements for various sectors like National Highways, State Highways, Ports etc. which are available with various authorities concerned for use with suitable project-specific modifications.

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